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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

IN RE: WARNER MUSIC GROUP CORP.
DIGITAL DOWNLOADS LITIGATION

CASE NO. CV 12-0559-RS

CLASS ACTION

**~~[PROPOSED]~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Judge: Hon. Richard Seeborg

1 The Court, having reviewed Plaintiffs Kathy Sledge Lightfoot, Ronee Blakley, and Gary
2 Wright's (collectively, "Plaintiffs") Motion for Preliminary Approval of Class Action Settlement
3 with Defendant Warner Music Group Corp. ("WMG" or "Defendant"), the pleadings and other
4 papers on file in this action, and the statements of counsel and the parties, hereby finds that
5 Plaintiffs' motion should be GRANTED.

6 NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

7 1. For purposes of this Order, except as otherwise set forth herein, the Court
8 adopts and incorporates the definitions contained in the Stipulation and Agreement of Settlement
9 ("Settlement Agreement").

10 2. The Court hereby gives its preliminary approval to the Settlement
11 Agreement, subject to a hearing on the final approval of the settlement (the "Fairness Hearing") on
12 behalf of the following Class:

13 All persons and entities (and their successors-in-interest, assigns and
14 heirs) that are parties to a Royalty Rate Contract, dated on or prior to
15 December 31, 2001, with a WMG U.S. Label.

16 3. The Court finds that the Settlement Agreement falls within the range of
17 reasonableness necessary to grant preliminary approval. The Court further finds that there is a
18 sufficient basis for notifying the Class of the proposed Settlement Agreement, and for enjoining
19 Class Members from proceeding in any other action arising from or relating to this litigation
20 pending the conclusion of the Fairness Hearing.

21 4. The Fairness Hearing will be conducted to determine the following:

22 a. Whether the proposed Settlement Agreement is fair, reasonable, and
23 adequate and should be granted final approval;

24 b. Whether final judgments should be entered dismissing the claims of
25 the Class against WMG with prejudice as required by the Settlement Agreement; and

26 c. Such other matters as the Court may deem appropriate.
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1 5. Plaintiffs Kathy Sledge Lightfoot, Ronee Blakley and Gary Wright are
2 hereby found to be adequate representatives of the Class and are therefore appointed as Class
3 Representatives.

4 6. Previously appointed Interim Co-Lead Class Counsel, Pearson, Simon &
5 Warshaw, LLP, Hausfeld LLP, Kiesel Law LLP, Lieff Cabraser Heimann & Bernstein, LLP, and
6 Phillips, Erlewine & Given, LLP are hereby found to adequately represent the interests of the
7 Class and are therefore appointed as Class Counsel.

8 7. The Court appoints Rust Consulting, Inc. as the Claims Administrator.

9 8. The Court approves the form and content of the Claim Form, Long Form
10 Notice, and Summary Published Notice, attached hereto as Exhibits 1 through 3, respectively.

11 9. The Court approves the mailing of the Long Form Notice (attached hereto
12 as Exhibit 2) by WMG to the Class members via direct mail along with the Class Member's
13 royalty statement for the period ending December 31, 2013. The mailing shall begin with the
14 royalty statements to be sent out on or around February 15, 2014 ("Notice Date") and continue
15 through the completion of the mailing of the royalty statements for the December 31, 2013 period
16 at or around the end of March 2014.

17 10. Commencing on or before the Notice Date, the Claims Administrator shall
18 arrange for publication of the Summary Publication Notice, in the form attached hereto as Exhibit
19 3, in black and white, by purchasing media buys in the following publications: (a) *Billboard*
20 Magazine in a size equivalent to a 1/8 page advertisement in one issue; (b) *Rolling Stone*
21 Magazine in a size equivalent to a 1/8 page advertisement in one issue; (c) the *Chicago Tribune* in
22 a size equivalent to a 1/6 advertisement in one issue; the *Los Angeles Times* in a 1/6 page
23 advertisement in two issues; (d) the *Nashville Tennessean* in a 3 column advertisement in two
24 issues; and (e) the *New York Times* in a 1/6 page advertisement in two issues.

25 11. Commencing on or before the Notice Date, the Settlement Administrator
26 shall issue a press release in the form of the Publication Notice to be disseminated through the
27 major media outlets, and Defendant shall provide a hyperlink to the Settlement Website on its
28 website, www.wmg.com.

1 12. Within 7 calendar days following this Order, the Claims Administrator shall
2 establish the Settlement Website, which shall contain the Long Form Notice; information
3 substantially similar to the Summary Published Notice; a Contact Information page that includes
4 address and telephone numbers for the Claims Administrator and Plaintiffs' Counsel; the
5 Settlement Agreement; this Order; a downloaded version of the Claim Form; and (when it
6 becomes available) Plaintiffs' Counsel's application for attorneys' fees, expenses, and
7 enhancement awards.

8 13. Class members are instructed to follow the instructions for exercising their
9 rights under the Settlement Agreement as set forth in the Settlement Agreement and Class Notice.
10 Failure to timely file and serve written objections will preclude a Class Member from objecting to
11 the Settlement Agreement.

12 14. The Court finds that the forms of notice to the Class Members regarding the
13 pendency of this class action, and the methods of dissemination to the Class Members in
14 accordance with the terms of this Order, constitute valid, due, and sufficient notice to the Class
15 Members pursuant to Federal Rule of Civil Procedure 23, the United States Constitution, and any
16 other applicable law.

17 15. Counsel for the parties are hereby authorized to utilize all reasonable
18 procedures in connection with the administration of the settlement which are not materially
19 inconsistent with either this Order or the terms of the Settlement Agreement.

20 16. In the event that this Order conflicts with the Settlement Agreement
21 regarding the form and manner of providing notice to the Class, this Order shall control. All
22 provisions of the Settlement Agreement regarding the form and manner of providing notice to the
23 Class shall remain in full force and effect unless otherwise expressly modified herein.

24 17. The Court adopts the following schedule in order to effectuate the final
25 approval of the Settlement Agreement:

26 a. Plaintiffs' motion for attorneys' fees, costs and incentive awards
27 shall be filed on or before May 15, 2014;
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